

STEPTOE & JOHNSON LLP
ATTORNEYS AT LAW

Mark J. Hulkower
202.429.6221
mhulkowe@steptoe.com

1330 Connecticut Avenue, NW
Washington, DC 20036-1795
Tel 202.429.3000
Fax 202.429.3902
steptoe.com

MEMORANDUM ENDORSED

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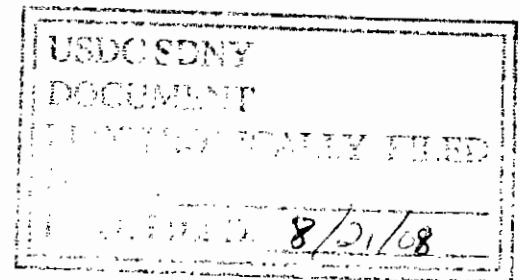
August 20, 2008

AUG 20 2008

JUDGE S. W. KRAM
CHAMBERS

Via FACSIMILE

The Honorable Shirley Wohl Kram
United States District Court for the Southern District of New York
United States Courthouse
500 Pearl Street
Room 760
New York, NY 10007



Re: SEC v. Kelly, et al., No. 08-4612

Dear Judge Kram:

In accordance with your Rules for Attorneys, we write to notify you that we plan to file a Motion to Transfer Venue on behalf of Steven Rindner. We do not believe a pre-motion hearing is necessary, because the Court cannot resolve this issue absent consideration of a formal motion. We have spoken with counsel for the Securities and Exchange Commission, and they have consented to waiving a pre-motion conference.

Mr. Rindner requests that the case against him be transferred to the Alexandria Division of the Eastern District of Virginia. There is no connection between Steven Rindner and the Southern District of New York, and the Securities and Exchange Commission's Complaint does not allege any such connection. Every act as alleged against Mr. Rindner in the complaint took place in the Eastern District of Virginia. At all times relevant to these allegations, Mr. Rindner worked in the headquarters of America Online ("AOL") in Dulles, Virginia. Also at all relevant times, Mr. Rindner resided near Northern Virginia. Mr. Rindner still works in, and resides near, the Eastern District of Virginia. Forcing him to attend a lengthy trial in the Southern District would greatly inconvenience Mr. Rindner, his family, and his employer.

In addition, most of Mr. Rindner's key witnesses reside in or near the Eastern District of Virginia. These witnesses are non-party witnesses who almost certainly will not appear to testify voluntarily. Thus, it is crucial that the trial court have the power to subpoena those witnesses. Because

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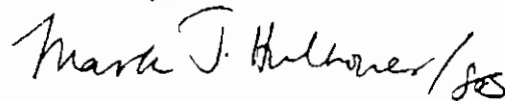
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the witnesses reside within 100 miles of the Alexandria courthouse in the Eastern District, that Court can compel the witnesses to testify. This Court, however, cannot.

Finally, transferring the case to the Eastern District of Virginia will not inconvenience the SEC. All seven of the lawyers listed on the SEC's Complaint are based in Washington, D.C. – a stone's throw from the Eastern District. Relocating so many lawyers and witnesses to New York for the duration of the trial will greatly inconvenience everyone involved; transfer to the Eastern District of Virginia, on the other hand, will greatly increase the convenience not just to Mr. Rindner but to the SEC, as well.

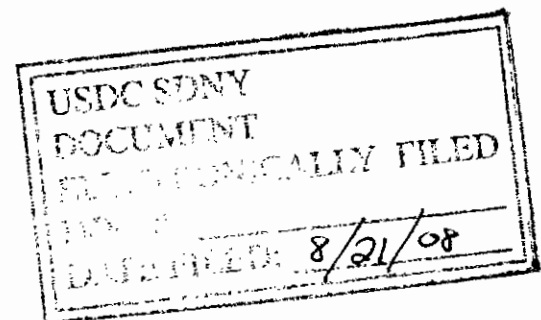
To the extent necessary to facilitate the transfer of Mr. Rinder's case, the claims against Mr. Rindner should be severed. There is minimal overlap between the allegations against Mr. Rindner and those against the others, and severing Mr. Rindner's case from the others will not result in significant prejudice to the SEC; conversely, however, compelling Mr. Rindner to litigate in New York will definitely prejudice him. Accordingly, Mr. Rindner requests that his case be transferred to the Alexandria Division of the Eastern District of Virginia.

Sincerely,




Mark J. Hulkower

cc: Richard Hong, Esq.
Gregory G. Little, Esq.
Jonathan R. Tuttle, Esq.
Stephen G. Topetzes, Esq.



Application granted. The Court hereby waives its conference requirement with respect to Steven Rindner's anticipated motion to transfer venue. On or before August 28, 2008, the parties shall submit to the Court a stipulated briefing schedule for this motion.

SO ORDERED

JUDGE SHIRLEY WOHL KRAM
U.S.D.J.
USDT

Dated: August 21, 2008
New York, NY